

## **REQUEST FOR PROPOSALS**

Proposals will be received by the City of Fremont, City Clerk's Office, 400 E Military Ave., Fremont NE 68025, until 2:00 p.m., September 25, 2015, for the following:

### **LEASE OF APPROXIMATELY 110 ACRES OF CROPLAND FREMONT DEPARTMENT OF UTILITIES**

Proposals received after the above specified date and time for opening will be returned unopened to the sender.

Lease terms and sample lease agreement are available on the City's website (<http://www.fremontne.gov/bids.aspx>), at the office of General Manager, 400 E Military Ave., Fremont NE 68025, or by calling or emailing Brian Newton at 402-727-2630 or [brian.newton@fremontne.gov](mailto:brian.newton@fremontne.gov), respectively.

## **INFORMATION FOR FARM LEASE PROPOSAL**

Sealed proposals will be received until 2:00 p.m. on September 25, 2015, for the lease of the farm property described in the attached sample lease agreement.

The proposal shall be on the attached form. The lease will be for one season from March 15, 2016 to December 31, 2016, with options to renew the terms of the Agreement for up to five (5), one (1)-year periods.

Award will be based on the total price to lease the sites included in the sample lease.

Proposals must be submitted to City Clerk, City of Fremont, 400 E Military Ave., Fremont NE 68025.

## FARM LEASE AGREEMENT - CASH RENT

This agreement (hereinafter referred to as "Agreement") is entered into this \_\_\_\_ day of \_\_\_\_\_, 2015 between the CITY OF FREMONT (hereinafter referred to as "Owners") and \_\_\_\_\_, (hereinafter referred to as "Tenant").

1) Description of Property

Owners hereby lease to Tenants, to occupy and use for agricultural and related purposes, the following-described property located in Dodge County, State of Nebraska:

- a) Lot 1, Johnson Park Sub (4.77 Acres, non-irrigated) – soy beans only
- b) Southwest Quarter (SW ¼) of Section 19-17-9 (89.0 Acres, irrigated)
- c) Part of Lots 11, 12 & 14, Iowa Railroad Land Co. Sub (17.1 Acres, non-irrigated)

This property is hereinafter referred to as the "farm". Owners warrant that they have the right to lease the farm, and will defend Tenants' possession against any and all persons whomsoever.

2) Term of Agreement

The term of this Agreement shall be for one (1) year, from the 15<sup>th</sup> day of March, 2016, until the 31<sup>st</sup> day of December 2016. The Owner, at its own option, may renew the terms of the Agreement for up to five (5), one (1)-year periods, subject to written notice from the Tenant and approval by the Board of Public Works.

3) Rent

For the occupancy use of the farm, Tenants agree to pay the Owners annual rent of \$\_\_\_\_\_/acre for the non-irrigated; \$\_\_\_\_\_/acre for the irrigated, for a total payment of \$\_\_\_\_\_, payable to the Owners (at the address listed below), ½ due March 1, 2016 and ½ due December 1, 2016.

4) Escalation/de-escalation of Rent

Each year, by October 31, before the Agreement is renewed for another year, rent prices shall be adjusted based upon the University of Nebraska, Agricultural Economics Department, Nebraska Farm Real Estate Market Highlights ([http://digitalcommons.unl.edu/agecon\\_farmrealestate/](http://digitalcommons.unl.edu/agecon_farmrealestate/)), Reported Cash Rental Rates for Various Types of Nebraska Farmland and Pasture; East Agricultural Statistics District; Average; Dollars per acre from the prior reporting year. The rent shall be adjusted (based on difference in the current year's rent and the current year's average rent) as follows:

- Index Difference = (current year's actual rent) less (current year's reported average)
- Adjusted Index Difference = Index Difference multiplied by 0.75
- New rent for next year's period = Adjusted Index Difference added/subtracted to/from the current year's rent

For example, if the current non-irrigated land rent is \$325/acre and the current year's reported average rent is \$205/acre, the Index Difference is 120 (\$325 - \$205; average rent decreased by \$120). The Adjusted Index Difference is 75% of the Index Difference (120 multiplied by .75) or 90.

Therefore, rent for next year's period would be \$325 less 90 or \$235 per acre (\$325 - \$90). Conversely, if current non-irrigated land rent is \$205/acre and the current year's reported average rent is \$325, the Index Difference is -120 (\$205 - \$325; average rent increased by \$120). The Adjusted Index Difference is 75% of the Index Difference (-120 multiplied by .75) or -90. Therefore, rent for next year's period would be \$205 plus 90 or \$295 per acre (\$205 + \$90).

5) Operational Expenses

Tenants shall furnish all labor, equipment, and expenses for the operation of the farm, except as indicated below:

No exceptions

All financial and production records of mutual interest held by one party shall be accessible to the other party at reasonable times and places.

6) Tenants Agree That:

- a) They will not commit waste on or damage to the farm and will use due care to prevent others from doing so. They will yield possession of the farm to Owners at the expiration of this Agreement without further notice. They will not sublease or assign this Agreement in any manner.

7) Owners Agree That:

- a) They will pay all taxes on said property.
- b) If they should sell or otherwise transfer the farm, they will do so subject to the provisions of the Agreement.

8) It is Mutually Agreed That:

- a) Time is of the essence of this Agreement.
- b) The terms of this Agreement shall apply to their heirs, personal representatives, successors, and assigns of both Owners and Tenants in like manner as to the original parties.

9) Default

Upon default by either party, the other party shall have all rights at law, including forcible entry and detainer. If Tenants fail to carry out any provision of this Agreement, Owners may enter and take possession and Tenants shall peaceably vacate the premises.

10) Risk of Destruction

Tenants expressly assume the risk of any or all destruction of the crop or premises as a result of foreseeable or unforeseeable excessive rain, flood, hail, tornado, winds, or any other acts of God or nature. Owners shall not be required to apportion, reduce, or abate any amount of cash rent due hereunder by virtue of the Tenants' inability to plant or harvest any crop, or any portion thereof, or to use the premises in the manner contemplated by this agreement.

11) Liability Insurance

Tenant will provide certificate of liability insurance with City of Fremont named as additional insured in the amount of \$1,000,000.00.

12) General

The Tenant shall indemnify and save harmless the CITY OF FREMONT, NEBRASKA (Owners) from and against all losses, claims, damages, and expenses, including attorney's fees, arising out of or resulting from the performance of the Agreement that results in bodily injury, sickness, disease, death or to injury to or destruction of tangible property, including the loss of use resulting there from and is caused in whole or in part by the Tenant, any subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable.

This section will not require the Tenant to indemnify or hold harmless the CITY OF FREMONT (Owners) for any losses, claims, damages, and expenses arising out of or resulting from negligence of the CITY OF FREMONT, NEBRASKA.

13) Additional Agreements

- a) Tenants will pay standby costs, power use costs, maintenance of electric motors, belts, panel wiring, fuses and other miscellaneous electrical expenses. Owners will pay for the major repair and/or replacement of the electric motors, wells and pumps. Tenants will provide all irrigation pipe required to irrigate and power unit for the well near the center of the field.

14) Notices/Payments

Notices and payments to Owners should be sent to:  
Department of Utilities, General Manager  
City of Fremont  
400 E Military Ave  
Fremont NE 68025

Dated this \_\_\_\_\_, day of \_\_\_\_\_, 2015

\_\_\_\_\_  
CITY OF FREMONT, Owner



Google earth

feet 1000  
meters 400







Google earth



## PROPOSAL

I, we, the undersigned do hereby agree to enter into a lease to cash rent the property described in the attached Farm Lease Agreement from March 15, 2016 to December 31, 2016. Rent to be as follows:

21.87 acres non-irrigated @ \_\_\_\_\_ = \$ \_\_\_\_\_

89 acres irrigated @ \_\_\_\_\_ = \$ \_\_\_\_\_

Total Rent = \$ \_\_\_\_\_

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2015

By: \_\_\_\_\_  
(Printed name)

Signature: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Phone: \_\_\_\_\_ Cell: \_\_\_\_\_

Email: \_\_\_\_\_